FY 2009 Capital Budget TPS Report 49953

Agency: Commerce, Community and Economic Development

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Alaska Family Medicine Residency

Program

Project Title:

Alaska Family Medicine Residency Program - Residency Program

State Funding Requested: \$ 2,000,000 House District: Statewide (1-40)

One-Time Need

Brief Project Description:

Alaska Family Medicine Residency Program trains medical school graduates to become family physicians.

Funding Plan:

Total Cost of Project: \$2,000,000

<u>Funding Secured</u> <u>Other Pending Requests</u> <u>Anticipated Future Need</u>

Amount FY Amount FY Amount FY

There is no other funding needed

Detailed Project Description and Justification:

The training is done at Providence Family Medicine Center in Anchorage as well as hospitals, physician offices and clinics across the state. Alaska suffers from a severe physician shortage. This program places 78% of the graduates into practice within Alaska.

Residency Programs through out the country are funded by Medicare, Medicaid, and direct state appropriations. The Alaska residency program has not recieved state funds in the past. Private physicians around Alaska volunteer their time and private practices in the training base for this program.

Project Timeline:

As soon as funds are recieved

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Alaska Family Residency Program

For use by Co-chair Staff Only:

Contact Name: Ryan Makinster Contact Number: 465-3879 FY 2009 Capital Budget TPS Report 49953

Grant Recipient Contact Information:
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Has this project been through a public review process at the local level and is it a community priority? Yes X No

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Contact Name: Ryan Makinster
Contact Number: 465-3879

Alaska Family Medicine Residency

Total Request: \$2,030,982 annually

Alaska is the only state in the northwest that does not support resident training through a direct state appropriation. The \$2,030,982 million annual appropriation will allow the Alaska Family Medicine Residency to operate and provide services without an annual budget shortfall.

2007 budget

Total Program Expenses

\$9,515,366

Total Program Revenue

\$7,484,384

2007 budget

Net Loss

[\$2,030,982]

This request will pay for:

Teaching faculty

\$530,144

Teaching faculty supervise residents as the residents care for patients in the clinic and in the hospital. The faculty physicians also have their own panel of patients. The residents and faculty see 25,000 patients per year, over 80% are patients who have barriers to care, including Medicare, Medicaid and uninsured patients.

Supervisory faculty

\$615,576

The supervisory faculty members are responsible for the quality assurance for the program, compliance with all accreditation requirements, establishing all rural and decentralized resident rotation placements. They ensure that the patient load and types of care being provided are in accordance with the requirements of the rotation. The supervisory faculty also see patients and provide supervision to residents as they provide care.

Clinic Nurses

\$176,911

Registered nurses provide the leadership and quality assurance of care provided in the clinic. Registered nurses coordinate and lead the care activities that move the patients into the clinic, ensure that their needs are met by doctors and support staff. They also respond to patient illness on the telephone and give health advice.

Medical Assistants

\$575,464

Medical Assistants provide direct care under the direction of the physicians. They serve children, pregnant women, adults, elders, mentally ill patients and well persons for preventive care. Their services ensure patients receive the care ordered by the physicians. Using medical assistants under the supervision of physicians and nurses is one of the most cost effective ways to provide quality medical care.

Medical Supplies

\$78,813

This included casts, splints, crutches, bandages, dressings, medications and other commonly used health care supplies.

Lab Supplies

\$54,074

The onsite lab and x-ray ensure these patients can have this necessary aspect of medical care. Supplies such as test tubes, needles, x-ray film, chemical testing reagents are essential to provide service in a low cost manner, avoiding expensive inpatient hospital services.

Background information

The Alaska Family Medicine Residency (AFMR) trains physicians after graduation form medical school for three years, after which they become Board Certified in the specialty of Family Medicine.

The training is focused on the need of Alaska, especially training for rural practice.

The program's record is impressive, among the best in the US.

- 75% of graduates practice in Alaska
- >50% practice in rural communities
- 33% practice in Native healthcare

Graduates have entered practice in

- Anchorage
- Bethel
- Dillingham
- Fairbanks
- Juneau
- Kotzebue
- Seward
- Unalaska
- Wasilla

As part of the required training, the program operates the Providence Family Medicine Center, which serves the underserved population of Anchorage. The center sees over 25,000 patients per year, over 80% of whom are patients who have barriers to care, including Medicare, Medicaid and uninsured patients.

Alaska Family Medicine Residency Training Program

Funding Request

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\$1000,000 (000)

The Need

The Alaska Family Medicine Residency Program has operated at a loss since the program began in 1997. Overtime, this loss worsened as the program expanded. Due to the importance of this program to the physician workforce in Alaska, Providence Health System Alaska has subsidized this program for 10 years, but with current financial pressures is finding it increasingly difficult to do so. The subsidy amount per year is in the range of \$2,000,000 (see table below).

Budget information:

	Revenue	Per Res.	Exp.	Per Res.	Net	Per Resident
TOTAL	\$4,274,844	\$178,110	\$6,624,600	\$276,025	(\$2,351.433)	(\$75,853)

Residency training programs are funded primarily through Medicare, Medicaid, and direct state appropriations.

The following tables and chart provide comparison data on how the training programs are funded. The comparisons are between the Alaska Family Medicine Residency (AFMR) program and Family Medicine Residency programs in different states. Not all information was available for each program. So the number of training programs compared for each chart or table differs slightly.

Alaska Family Medicine Residency Program

What is it?

The Alaska Family Residency Program trains medical school graduates are trained to become Family Physicians. The program takes 3 years to complete. The Residency program has 12 residents in each year for a total of 36 residents in training. The training is done at the Providence Family Medicine Center in Anchorage, and at hospitals, physician offices and clinics across the state.

What is a Family physician?

A Family Physician is trained to provide general care to adults, children, pregnant women and elders in the office, hospital, home and nursing home. Family Physicians are the quintessential primary care physicians and provide the backbone of care throughout Alaska especially in rural and underserved areas.

Family physician training emphasizes comprehensive, community care that is continuous throughout the person's lifetime and is focused on health and prevention for the individual and family.

Why is a Family Medicine Residency program important to Alaska?

Alaska suffers from a physician shortage. The Alaska Family Medicine Residency training program places 78% (or over 9 physicians a year) in practice in Alaska. These physicians have received training in practice settings across the state. Their training is tailored to conditions found in Alaska.